

**GOVERNMENT OF TELANGANA**

**ABSTRACT**

RWS&S- Telangana Drinking Water Supply Project (Mission Bhagiratha) - Telangana Drinking Water Supply Corporation borrowing loan of Rs 1300.00 crores as Andhra Bank share in the consortium of Nationalized commercial banks in Seven segments with an estimated Project Cost of Rs.7031.00 Crores - Permission – Accorded- Orders- Issued.

**PANCHAYAT RAJ AND RURAL DEVELOPMENT (RWS-IV) DEPARTMENT**

**G.O.RT.No. 625**

**Dated: 12-09-2016**  
**Read the following:-**

1. G.O.Ms.No.17, PR&RD (RWS) Dept., dt.30.1.2015 & G.O.Ms.No.43, PR&RD (RWS-IV) Dept.,dt.15.05.2015.
- 2.From Deputy General Manager,Andhra Bank , Specialised Corporate financial branch, Hyderabad Lr 1006/01/TDWSCL/S-523/2016 dt 11.8.2016
- 3.From the ENC, RWS&S, Hyd., Lr A2/TDWSP/1062/2016 dt 16.8.2016

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**ORDER:-**

In G.O. 1st read above, orders have been issued constituting the Telangana Drinking Water Supply Corporation (TDWSC) to execute and maintain the Telangana Drinking Water Supply Project (Mission Bhagiratha).

2. In the reference 2<sup>nd</sup> read above, Andhra Bank, Hyderabad, has agreed to be the lead bank of consortium of Nationalized commercial banks for sanction of term loan of Rs 5625.00 crores (80% of Project cost of Rs.7031.00 Crores) to Telangana Drinking Water Supply Corporation for executing Mission Bhagiratha in Seven segments of Karimnagar and Warangal Districts. Andhra Bank has sanctioned term loan of Rs 1300.00 crores as its share in the total loan of Rs 5625.00 crores. Andhra Bank while enclosing terms and conditions have informed that 20% margin money i.e., Rs 325.00 crores against its share of the loan, has to be borne by the State Government. They also requested the Managing Director, Telangana Drinking Water Supply Corporation to give acceptance for the terms and conditions set out in reference 2<sup>nd</sup> read above.

3. In the reference 3rd read above, the Engineer-in-Chief, Rural Water Supply & Sanitation, Hyderabad has stated that the proposals for seven segments were submitted to consortium of Nationalised commercial banks for sanction of loan.

S No	Segment	District	Cost Rs Crores
1	LMD Karimnagar & Ramadugu segment	Karimnagar	240.00
2	Peddapally & Ramgundam segment	Karimnagar	758.00
3	Sircilla, Vemulawada & Choppadandi segment	Karimnagar	935.00
4	Manthani and Bhupalapally segment	Karimnagar & Warangal	835.00
5	Korutla, Jagtial & Dharmapuri segment	Karimnagar	1300.00
6	Godavari and Mangapet segment	Warangal	290.00
7	LMD - Manakondur, Husnabad & Huzurabad Segment	Karimnagar	1800.00
	Total project cost(Hard cost)		6158.00
	IDC for the above segments(*)		873.00
	<b>Total project cost</b>		<b>7031.00</b>

(\*) The above estimate of IDC is subject to change based on actual drawl and Margin shall be brought in by the Corporation accordingly.

He has also stated that the Andhra Bank, Hyderabad has forwarded the loan sanction letter for implementation of the Mission Bhagiratha, in the above segments, for an amount of Rs.1300 cores as its share in the consortium along with terms and conditions for acceptance of the competent authority. Therefore, he has requested the Govt., to provide concurrence/approval for the terms and conditions of loan sanctioned for the above seven segments and to issue necessary orders on the required documents to be provided by the Govt., in order to execute the loan agreement with Andhra Bank.

4. Government after careful consideration of the matter, hereby accord permission to the Managing Director, Telangana Drinking Water Supply Corporation to borrow the loan amount of Rs.1300.00 Crores (Rupees One thousand and three hundred crores only) from Andhra Bank as its share against the Andhra Bank led consortium loan amount of Rs 5625.00 crores for implementation of Telangana Drinking Water Supply Project in seven segments with total estimated project cost of Rs 7031.00 crores ( including Interest during construction), as per the terms and conditions of Andhra Bank with finer rate of interest at 10% fixed (arrived as 1Y MCLR + 0.45% ) till 01.04.2020 reset of interest on 01.04.2020 and every year after subject to condition that, rate of interest shall not be below the MCLR at any point of time and if MCLR is above 10.00% the same shall be applicable during such period. Govt. of Telangana will stand guarantee for repayment of loan taken from Andhra Bank covering principle and interest. The state margin money of Rs.325.00 crores i.e., 20% will be met by the Govt. of Telangana through budgetary support.

5. The guarantee commission shall be paid at the rate of 2% consolidated for the entire guarantee period to State Government and the same shall be charged to the project cost from the savings available (if any) or project cost to be revised duly considering the guarantee commission. The TDWSCL shall remit the amount to Government to the following Head of Account: "0070 Other Administrative Services – 60. Other Services – MH 800. Other Receipts – SH 08 Commission for guarantee given by Government".

5. The Managing Director, Telangana Drinking Water Supply Corporation shall take necessary action in the matter accordingly.

6. This order issued with the concurrence of the Finance (DCM) Department vide their U.O.No.1612 /124/ A1/DCM/2016 dt 30.8.2016.

7. This order is available on the internet and can be accessed at the address <http://www.goir.Telangana.gov.in>.

**(BY ORDER AND IN THE NAME OF THE GOVERNOR OF TELANGANA)**

**S.P. SINGH**  
**SPECIAL CHIEF SECRETARY TO GOVERNMENT**

To  
The Managing Director, Telangana Drinking Water Supply Corporation, Hyderabad.  
The Director of Treasuries and Accounts, Telangana State, Hyderabad.  
The Accountant General, Telangana State, Hyderabad.

**Copy to:**

The PS to Additional Secretary to Hon'ble Chief Minister  
The PS to Chief Secretary.  
The Finance (DCM) Department.  
The PS to Special Chief Secretary PR&RD (RWS)  
The Engineer -in-Chief, RWS&S, Hyderabad.  
The Andhra Bank, Hyderabad.  
The Advisor to Govt., RWS&S  
SC/SF.

**//FORWARDED::BY ORDER//**

**SECTION OFFICER**